(b) the procedure for appointing these outside directors specially in the case of 'farmers' and 'artisans';

(c) whether Government stipulates any educational and professional qualifications for such directors; and

(d) what is the minimum emoluments and sitting fee paid to such directors for attending board meetings?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) At present there is no move to make any change in the constitution of the Board of Directors of the Nationalised Banks.

(b) and (c) In terms of provisions contained in the Banking Companies (Acquisition and Transfer of Undertakings) Act 1970/1980, Directors nominated shall have special knowledge or practical experience in respect of one or more of the following matters, namely:-

(i) Accountancy, (ii) Agriculture and rural economy; (iii) Banking; (iv) Co-operation; (v) Economics, (vi) Finance, (vii) Law, (viii) Small Scale Industry; (ix) any other matter the special knowledge of and practical experience in which would, in the opinion of the Reserve Bank of India be useful to the banking industry. For ascertaining suitability for nominees in terms of formal qualification and expertise, track record, integrity, education, work experience, disqualification professional restrictions and regional representations, the Appointments Committee of the Cabinet (ACC) approved the guidelines which *Inter alia* provided that the outside directors (non official directors) should at least be a Graduate and between the age group of 40 to 60 years. However, educational qualification may be relaxed with the approval of ACC in case of farmers, artisans and depositors.

(d) The non official directors are entitled to a sitting fee of Rs. 5,000/- for attending Board meeting and Rs. 2,500/- for attending Committee meetings of the Board.

Job cuts in private sector

†2379. SHRI PRABHAT JHA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that under recessionary pressures job cuts have been effected in the private sector;

(b) if so, the details thereof;

(c) whether Government would lay down any guidelines for the private sector so that it cannot remove employees in one go; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Unlike the developed countries where job losses have been reported due to the global financial crisis, the impact has been limited in India as a large proportion of population is employed in the agriculture sector which has been relatively not affected by the

†Original notice of the question was received in Hindi.

crisis. Besides, the services sector with a large share in GDP has also been less affected. Even in the export sector which registered negative growth in October, 2008, the fall was mainly due to a spike in export growth in October, 2007 and is limited to some sectors only. While no exhaustive surveys have been conducted to estimate the likely job losses in India due to global economic crisis, a sample study of 121 export related companies (for the period August-October, 2008) by Department of Commerce has indicated fall in jobs due to slowdown in some export sectors. A recent FICCI survey indicates some downsizing in employment in coming months particularly in some export sectors. Meanwhile, GDP growth is expected to moderate somewhat from very high growth rate in the last 3 years but remain sufficiently high this year generating new employment opportunities.

(c) and (d) Government is committed to ensure the welfare of workers and employees including those in the private sector under the existing legal framework. Government is concerned about the possible impact of global financial crisis on the Indian economy including employment and several measures, financial and fiscal, have been initiated. RBI's measures to enhance liquidity in the market and the Government's fiscal stimulus to help industry growth and employment like reduction in three major ad valorem rates of Central Excise duty applicable to non-petroleum products by 4 percentage points, withdrawal of export duty on iron ore (fines) and additional plan expenditure of upto Rs. 20,000 crore in the current year would help address the problem. Further, 3.24 crore households have been provided employment under National Rural Employment Guarantee Act as on 15.12.2008 in the current financial year.

Credit crunch in financial market

2380. SHRI KALRAJ MISHRA: Will the PRIME MINISTER be pleased to state:

(a) whether the Group of Seven (G-7), the International Monetary Fund (IMF) and the World Bank (WB) have drawn out a strategy to fight credit crunch in the world financial market and to restore credibility to the market;

(b) if so, the details thereof; and

(c) in what manner it would impact the value of the Indian rupee in the world market and the country's liquidity and viability in the world market?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The Group of Seven (G7) met in Washington D.C. on 10th October 2008 and agreed on an action plan to resolve the current financial crisis, strengthening their financial institutions and restoring confidence in the financial system. This action plan, *Inter alia* included taking necessary steps to unfreeze credit and money markets, ensuring that banks and other financial institutions have broad access to liquidity and funding, ensuring to raise sufficient capital from public as well private resources to re-establish confidence and take action, where appropriate and to restart the secondary markets for mortgages and other securitized assets.